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TO RUEHC/SECSTATE WASHDC PRIORITY 6261  
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE PRIORITY  
RUEHWN/AMEMBASSY BRIDGETOWN PRIORITY 1967  
RUEHCV/AMEMBASSY CARACAS PRIORITY 0665  
RUEHGE/AMEMBASSY GEORGETOWN PRIORITY 0898  
RUEHKG/AMEMBASSY KINGSTON PRIORITY 2646  
RUEHPO/AMEMBASSY PARAMARIBO PRIORITY 1037  
RUEHPU/AMEMBASSY PORT AU PRINCE PRIORITY 4353  
RUEHSP/AMEMBASSY PORT OF SPAIN PRIORITY 1719  
RUEAIIA/CIA WASHINGTON DC PRIORITY  
RHEFDIA/DIA WASHDC PRIORITY  
RUEHC/DEPT OF LABOR WASHDC PRIORITY  
RUEATRS/DEPT OF TREASURY WASHDC PRIORITY  
RUCPDO/USDOC WASHDC PRIORITY 1565  
RUCOWCV/CUSTOMS CARIBBEAN ATTACHE MIAMI FL PRIORITY  
RUEAHL/CHS WASHDC PRIORITY  
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STATE FOR WHA, WHA/CAR, WHA/EPSC, INR/IAA, EB, EB/IFD/OMA,  
; USSOUTHCOM ALSO FOR POLAD; TREASURY FOR OASIA-J LEVINE;  
DEPT PASS USTR; USDOC FOR 4322/ITA/MAC/WH/CARIBBEAN BASIN  
DIVISION;  
USDOC FOR 3134/ITA/USFCS/RD/WH; DHS FOR CIS-CARLOS ITURREGUI

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SUBJECT: DOMINICAN POLITICS III #6: GOVERNMENT THROWS THE  
BOOK AT FORMER EDUCATION MINISTER

Classified By: Economic-Political Counselor Michael A. Meigs

1. (U) This is the sixth cable in our series on Dominican  
politics in the third year of the administration of President  
Leonel Fernandez.

(U) On September 28, Education Minister Alejandrina German  
made corruption allegations against Milagros Ortiz Bosch, a  
presidential candidate and senior leader of the opposition  
Dominican Revolutionary Party (PRD). Ortiz, who served  
concurrently as Vice President and Education Minister from  
2000 to 2004, is accused of absconding with \$20 million that  
was allocated for school meals for the underprivileged.

(U) German, a member of the ruling Dominican Liberation Party  
(PLD), invited the press to witness her presentation of a  
dossier to Santo Domingo district attorney Jose Hernandez  
Peguero. The file allegedly includes the evidence on  
malfeasance regarding school meals as well as other  
irregularities. Hernandez said he would initiate an  
investigation and would assign three prosecutors to the case.

(U) Ortiz has been meeting with her lawyers and, for the most  
part, has not yet responded the allegations. She did note,  
however, that "it is inexplicable that these charges have  
been made more than two years after we turned over management  
(of the Education Ministry)."

(SBU) While Dominican institutions are weak and are permeated  
by corruption at nearly all levels, we have seen promising  
moral leadership by President Fernandez and other senior  
Dominican officials. Indeed, efforts to challenge impunity  
appear to be accelerating, with the recent prosecution of  
several well-connected figures for banking fraud and  
associated crimes.

(C) We do not have information on the validity of the allegations against Ortiz; however, the charges do not/not appear to be part of the recent positive trend in anti-corruption efforts. In fact, several aspects of Tuesday's events cause concern. First, the presentation of allegations by a non-law enforcement official (German) and the appearance of the district attorney at what amounted to a staged political event. Second, the timing of the charges is suspect, not just because Ortiz left office two years ago, but also because she engaged in a public war of words over education policy with German just last month. Third, on September 20 Ortiz was named as the candidate for the PRD's 2008 presidential nomination by an important party faction.

(C) The questions we will be asking as the allegations against Ortiz play out include: whether the charges are a cynical attempt to tarnish Ortiz's previously clean public image; and, whether the ruling PLD -- with an eye on the 2008 presidential race and Ortiz's candidacy -- is taking pre-emptive action against a perceived vulnerability on corruption in the Fernandez Administration.

12. (U) Drafted by Peter Hensch.

13. (U) This report and extensive other material can be consulted on our SIPRNET site,  
<http://www.state.sgov.gov/p/wha/santodomingo/>  
HERTELL